IN THE CLAIMS

Please amend claims 1, 4 and 9 as follows:

- (CURRENTLY AMENDED) An apparatus for adaptive modulation, comprising:
 a one-bit modulator, including a quantizer, for generating a binary output signal from an
 analog input signal using a single quantization bit; and
- a multi-bit adapter for generating a scaling signal for scaling a step-size of the modulator using multiple quantization bits, wherein the step-size is adapted based on an estimate of an absolute value of a signal output from a filter before the signal is input to the quantizer.
- 2. (ORIGINAL) The apparatus of claim 1, wherein the adapter includes a companded differential pulse code modulator (DPCM).
- 3. (ORIGINAL) The apparatus of claim 2, wherein the adapter includes a logarithm term block for companding an absolute value of a filtered error signal, the companded DPCM for modulating an output of the logarithm term block, and an exponential term block for expanding an output of the companded DPCM.
- 4. (CURRENTLY AMENDED) The apparatus of claim 1, wherein the modulator comprises:
- a summing junction for comparing an analog input signal x(n) to an encoding signal v(n) to generate an error signal e(n) representing a difference between the analog input signal x(n) and the encoding signal v(n);
 - [[a]] the filter for filtering the error signal e(n) to generate a signal p(n); the quantizer for converting the signal p(n) into a binary output signal y(n);
- a multiplier for multiplying the binary output signal y(n) by a scaling signal d(n) output by the adapter to generate the encoding signal v(n); and
- a delay for delaying the encoding signal v(n) to generate a delayed encoding signal v(n-1).

- 5. (ORIGINAL) The apparatus of claim 4, wherein the adapter produces both the scaling signal d(n), which is an approximation of the absolute value of the signal p(n), and a binary sequence signal q(n) from which the scaling signal d(n) can be re-generated.
- 6. (ORIGINAL) The apparatus of claim 1, wherein the adapter is used in an adaptive sigma-delta modulator.
- 7. (ORIGINAL) The apparatus of claim 1, wherein the adapter is used in an adaptive delta modulator.
- 8. (ORIGINAL) The apparatus of claim 1, wherein the adapter is used as a companded delta modulator.
- 9. (CURRENTLY AMENDED) An apparatus for adaptive demodulation, comprising: a multi-bit adapter for receiving a binary sequence signal q(n) from an adapter of an adaptive modulation apparatus and for generating a scaling signal d(n) in response thereto using multiple quantization bits;

a multiplier for multiplying a binary output signal y(n) received from a one bit modulator of the adaptive modulation apparatus by the scaling signal d(n) to generate an encoding signal v(n), wherein the binary output signal y(n) is generated by the one-bit modulator from an analog input signal x(n) using a single quantization bit; and

a low-pass filter for receiving the encoding signal v(n) and for generating a signal $\hat{x}(n)$, which is a re-creation of the analog input signal x(n) to the modulator of the adaptive modulation apparatus;

wherein the binary sequence signal q(n) is generated by the adapter of the adaptive modulation apparatus based on an estimate of an absolute value of an input signal output from a filter before the signal is input to a quantizer in the one bit modulator of the adaptive modulation apparatus.

10. (ORIGINAL) The apparatus of claim 9, wherein the adapter includes a companded differential pulse code modulator (DPCM).

- 11. (ORIGINAL) The apparatus of claim 10, wherein the adapter includes a logarithm term block for companding an absolute value of a filtered error signal, the companded DPCM for modulating an output of the logarithm term block, and an exponential term block for expanding an output of the companded DPCM.
- 12. (ORIGINAL) The apparatus of claim 9, wherein the adapter is used in an adaptive sigma-delta modulator.
- 13. (ORIGINAL) The apparatus of claim 9, wherein the adapter is used in an adaptive delta modulator.
- 14. (ORIGINAL) The apparatus of claim 9, wherein the adapter is used as a companded delta modulator.